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ABSTRACT

Existing literature on school-based management (SBM) policy and research is reviewed in this paper, which also highlights several themes related to both why school-based management does not work and how it can be designed to be more effective. The literature review suggests that past studies have tended to be general and descriptive in focus, which necessitates rethinking the policies and research associated with SBM. New directions for future SBM policy and research are proposed: viewing SBM in a more comprehensive framework that includes decentralizing power, knowledge, information, and rewards; combining the governance mechanism of SBM with curriculum and instruction reforms to improve productivity; investigating how SBM can create a new organizational structure; and developing supportive district and school leadership. Recommendations are made for the sequential adoption of reforms that are centered at the school site, within a variable time table. (58 references) (LMI)

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Rethinking School-Based Management Policy and Research

PRISCILLA WOHLSTETTER
AND
ALLAN ODDEN

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Rethinking School-Based Management Policy and Research

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the annual meeting of
The American Education Finance Association
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ABSTRACT

This article reviews existing literature on school-based management policy and research, and highlights several themes related to both why school-based management does not work and how it can be designed to be more effective. The intended purpose is to offer new directions for school-based management policy and research, based on what we already know and where our knowledge deficiencies lie. The results from the review suggest that future policy and research ought to expand its purview of school-based management to include more than just delegating budget, personnel and curriculum decisions to schools, and to join school based-management as a governance reform, with content (curriculum and instruction) reforms in order to enhance the possibilities for improving educational practice.

RETHINKING SCHOOL-BASED MANAGEMENT POLICY AND RESEARCH

by

Priscilla Wohlstetter
and
Allan Odden

The principal thesis of this article is that school-based management policies and research have long histories, way beyond the current generation of reforms, and that future policy and research agendas should advance along with the accumulated knowledge about school-based management (SBM). In particular, we argue that SBM as a governance reform entails more than just decentralizing budget and personnel decisions and ought to be joined with content (curriculum and instruction) reforms in order to enhance its probability of improving educational practice. Thus, in terms of future policies we advocate systemic reform (Smith & O'Day, 1990) where SBM is adopted as one, though a central, part of an overall reform strategy. In terms of future research, we direct attention to assessing the interactions between governance/management and content reforms designed to create school organizations that produce high levels of student performance. Past studies of school-based management tend to be general in focus with the intent of describing or monitoring SBM reforms, so there already is a knowledge base about the various types of SBM policies that have been adopted. Consequently, we propose shifting the direction of future research toward outcomes by asking the question: How can SBM produce new school organizations that lead to increased student learning?

We do not provide an exhaustive review of the literature on decentralization and SBM. Such reviews have been provided by, for example, Clune and White (1988), Council of Chief State School Officers (1989) and Malen, Ogawa and Kranz (1990). We also do not review the 1960s and 1970s decentralization efforts which usually targeted units smaller than the district but larger than the school and had as their primary goal either increased political power for local communities or increased administrative efficiency (Wissler & Ortiz, 1986; David, 1989). Rather we focus on more recent SBM reforms that decentralize decision making to the school site and are designed to produce changes in educational practice that result in higher levels of student learning (Cohen, 1988; David, 1989).

The general theory behind recent SBM efforts, as well as many of the other education reforms of the 1980s and 1990s (The White House, 1990; National Governors' Association, 1990; Business Roundtable, 1991; Elmore and Associates, 1990) is that productivity and effectiveness can be enhanced if clear outcome goals are set at the top of the system (e.g., national education goals); implementation is decentralized to the school site where services are delivered; and accountability is structured either with rewards for accomplishing goals and sanctions for not, or through parental choice of school.

The first section of this article analyzes the major literature reviews of what we already know about school-based management policy and research, highlighting several themes or consistent patterns that run through the existing SBM literature. Our emphasis is on identifying some of the problems with current SBM policy and research. The next sections offer new directions for SBM policy and research based on extant knowledge and where our knowledge deficiencies lie. Our goal is to outline a policy and research strategy for the future that would provide information for answering how SBM could be designed to create a school organization that would produce high levels of student achievement in thinking and problem solving.

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PROBLEMS WITH CURRENT SCHOOL-BASED MANAGEMENT POLICY AND RESEARCH

Our review of recent research on school decentralization uncovered several interesting themes about school-based management. In particular, the literature suggests that school-based management:

- Is everywhere and nowhere;
- Comes in a variety of forms;
- Is created without clear goals or real accountability; and
- Exists in a state/district policy context that often gives mixed signals to schools.

These themes structure the discussion that follows about the problems with current school-based management policy and research.

SBM is everywhere and nowhere. The surveys by Clune and White (1988) and Malen, Ogawa and Kranz (1990) conclude that school systems all over the country are involved in SBM. However, when programs are analyzed, the general conclusion is that the extent of decision making responsibility devolved to the school is limited; consequently, site teachers and administrators have little to manage, particularly with respect to budget, personnel and curriculum strategies (Clune & White, 1988; Malen & Ogawa, 1988; Wohlstetter & Buffett, 1992). Thus, many studies conclude that SBM has not been much of a change because nothing real has been decentralized -- SBM is everywhere and nowhere.

For their recent article on SBM, Malen et al. (1990) reviewed large numbers of project descriptions, status reports and evaluations of school-based management initiatives and concluded that SBM is widespread. Indeed, seven out of the eight largest urban school districts in the United States are in various stages of implementing school-based management. Documentary data reported in national studies (Clune & White, 1988; Council of Chief State School Officers, 1989) also indicate that SBM initiatives exist in a multitude of settings -- large and small districts, urban and rural districts and in all geographic regions of the country. As Malen et al. (1990) note: "News of moves to decentralize and democratize decision making in select locales appears to fuel similar initiatives in other locales" (p. 297).

Past studies of school-based management also demonstrate that the reform is not new. Clune and White (1988) reported from their survey of over 100 school districts that the idea of SBM has been around for decades: One district they examined had school-based management for 34 years. Data also suggest that proposals to decentralize decision making are cyclical, recurring during periods of stress, when districts are pushed into searching for solutions to public problems (Lowi, 1969; Malen et al., 1990; Wohlstetter & McCurdy, 1991). In the 1960s and 1970s, for example, decentralization was promoted as a way to empower local communities, improve administrative efficiency, and/or balance state authority (Wissler & Ortiz, 1986; David, 1989). Today, school districts are adopting school-based management in order to improve school productivity and student learning (Cohen, 1988; David, 1989). Theory and research supporting the current interest in school-based management suggest that teaching and learning at the school will improve when sites are given control over decision making.

Case studies of districts implementing school-based management also indicate that program operations are extremely varied: "[School-based management is] a generic term for diverse activities" (Malen et al., 1990). In theory, three areas of decision making can be decentralized to the school: budget, curriculum and personnel. In practice, there is wide variation across programs in terms of both the type of decisions and the extent of authority that is decentralized. Clune and White (1988) concluded from their survey of school districts that budgetary decisions were decentralized most readily, followed by personnel and then curriculum decisions. In big-city school districts, Clune and White (1988) found that school-based management reforms tended to be comprehensive where decisions over all three areas (budget, curriculum and personnel) were decentralized. Smaller school districts tended to tackle selected areas of decision making. Some districts focused exclusively on school-based budgeting, while other districts delegated budget and personnel decisions, for example, but retained curriculum decisions centrally. In instances where reform strategies focused exclusively on one type of decision, there often were spill over effects into the other decision making areas (Wohlstetter & Buffett, 1992). Thus, evidence to date suggests few consistent patterns in the types of decisions given to schools under school-based management.

Hentschke (1988) has argued that to decentralize school management, authority relationships within school districts must change. In practice, however, such changes rarely have occurred. For example, even when budgetary decisions appear to have been delegated, often real expenditure authority was not delegated (Hentschke, 1988). In Chicago if a school wants to fix its roof, the site council must go through the district office and use district employees. Although the school makes the decision to fix the roof, working through the central office makes that decision less rather than more real. If the school could use the money to hire its own fixer, the job might done quicker, better and perhaps at a lower cost. In other districts, sites must hire teachers off district lists, or purchase staff development services only from the central office. Further, in many programs, if substitute teacher time decreases or savings are made in maintenance (e.g., utilities), the savings usually revert to the central office, thus mitigating the fiscal incentive for producing these results (Wohlstetter & Buffett, 1992).

In sum, even where decision making authority appears to have been delegated, the degree of real authority given to the site often is remarkably limited (Clune & White, 1988; Malen & Ogawa, 1988; Wohlstetter & Buffett, 1992). One result is that school-based management initiatives rarely become centrally involved in technical core issues of curriculum and instruction (Malen & Ogawa, 1989; Berman & Gjelton, 1984; Marsh & Bowman, 1989; David, 1990). Instead, SBM projects tend to focus on peripheral issues, such as school climate, campus beautification, career education, remedial education, parent involvement, scheduling, safety and use of the copying machine. Further, many school-based management studies have found that the individuals serving on site councils were unsatisfied because they were not empowered in any meaningful sense nor were they dealing with real issues of dollars, staff and curriculum. Researchers often have concluded that school-based management did not change authority relationships significantly, largely because little power was offered and few governance changes were made. In short, the reach of SBM rhetoric often has been much greater than its substance.

SBM comes in a variety of forms. While SBM is used as a generic term for a range of decentralization activities, there are three very specific forms of SBM yet few SBM studies differentiate among them. In the field, SBM policies differ in terms of who gains control over decision making. One SBM governance model, "community control," shifts power from professional educators and the board of education to parent and community groups not previously involved in school governance. Thus, lay persons, not the professional hierarchy, are in control, and accountability is directed outward toward the community (Ornstein, 1974, 1983). The current reform strategy in Chicago, Illinois is an example of this model. Each school is governed by an elected council of eleven: six

parents, two teachers, two community representatives and the principal. As Wohlstetter and McCurdy point out: "Not only do lay people outnumber professional educators, but each council has a parent majority and is headed by a parent as well" (1991, pp. 397-398).

A second SBM model, "administrative decentralization" (Ornstein, 1974), features teacher control by delegating decision making down the ranks of the professional hierarchy to building-level educators. Thus, individual schools, typically through site councils where teachers have the majority, are empowered to make some decisions formerly made by the central administration. In Los Angeles, California, for example, local school leadership councils have between six and sixteen members (depending on the level and size of the school) and half of the council seats are reserved for teachers. The school's teacher union representative serves as co-chair of the council along with the principal. Teachers also have a majority of members on site councils in Rochester, New York.

A third SBM model features principal control and, in contrast to the other two forms of decentralization, may or may not have a site council. In Edmonton, Canada, for example, district policy stipulates that principals are responsible for constructing the school budget "in consultation" with staff, parents and community members; but the principals are not required to establish site councils and much of the consultation is conducted informally on an ad hoc basis (Wohlstetter & Buffett, 1992). Principals also have substantial control in the Dade County, Florida SBM program.

As noted earlier, few studies or descriptions of school-based management have differentiated among these forms of decentralization (Odden & Picus, 1992). Moreover, the vast majority assumed that community control was the norm. Wohlstetter and McCurdy (1991), in their study of education reform in Chicago, Los Angeles and Dade County, examined the relationship between the district's choice of decentralization policy and the political context of the district. They concluded that the form of decentralization adopted appeared to be strongly influenced by district politics. When administrative decentralization was adopted, as in Los Angeles and Dade County, the balance of power in the district tended to rest with inside actors (e.g., board of education, superintendent, principals, teachers union). Different patterns of power and leadership were present in Chicago, where community control was imposed on the school district by the state legislature.

Further, Malen and Ogawa's 1988 study of school-based management in Salt Lake City, Utah suggested that reform strategies that authorized one form of decentralized governance can be converted to another form during implementation. They found that despite formal policy making authority that gave teachers and parents substantial control over decision making, influence relationships traditionally found in schools were maintained and principals retained control.

Finally, research to date suggests that each form of SBM faces different obstacles and experiences different measures of success. Some SBM models of the past, particularly the New York City decentralization model of the 1970s, put the community in control; however, the general feeling is that New York City schools have not improved with the devolution of power from the central office to lower level organizations (Fantini & Gittell, 1973; Zimet, 1973). While Chicago has elected school councils and councils have the authority to fire principals, these actions tend to reflect the major impacts of SBM in that district. Finally, teacher professionalism proposals ran head-on into lay, democratic control of schools during the 1980s (McDonnell, 1991) because they raised directly the issue of who controls schools -- lay boards or professional teachers. As such, teacher professionalism proposals and thus perhaps also SBM with teachers in control might experience more implementation difficulties simply because they dramatically alter the American tradition of democratic control.

<u>SBM usually occurs without clear goals or real accountability</u>. Other than being justified rhetorically as a means to improve schools, SBM plans rarely entail specific learning goals for students or have accountability mechanisms that assess SBM with respect to those goals or organizational improvements (Wohlstetter & Buffett, 1992).

Rather SBM's impact is focused mostly on teachers and administrators (exceptions include Chapman & Boyd, 1986; Berman & Gjelten, 1984; and David & Peterson, 1984, although the latter two were studies of school improvement and not SBM, per se).

Conley (1991) noted in her research on teacher participation that SBM reforms generally assume either a bureaucratic or organizational perspective. From the bureaucratic perspective, the purpose of SBM is to ease supervision and promote a downward-hierarchical form of management. By contrast, the purpose of SBM from the organizational perspective is teacher empowerment -- do teachers have the level and degree of "participation and power in decision making" they feel they should? In view of these two policy orientations, research on SBM has focused on the degree to which teacher morale, job satisfaction and job stress has been affected.

In addition, studies of teacher participation in school decision making have tended to analyze the type and nature of teacher decision making. Types of decisions usually are classified into two categories: decisions over classroom practice (operational) and decisions over schoolwide policy (strategic). The nature of teacher decision making usually is classified into three categories: 1) clear authority to make decisions in which power has been delegated to teachers; 2) participation in decision making; or 3) functioning in a less powerful advisory relationship (Conley, 1989; Conley, 1991; Conley, Schmidle & Shedd, 1988; Conley & Bacharach, 1990). While private sector organizational research concludes that worker involvement in strategic (schoolwide) as well as operational (classroom) decision making can improve productivity as well as job satisfaction (Lawler, 1986; Bailyn, 1985; Blinder, 1990), most SBM programs restrict teacher decision making narrowly to operational issues (Conley, 1991; Malen & Ogawa, 1988). Further, Conley et al. (1988) found that when teachers participated in broader schoolwide management issues, little attention was given to subjects such as overall vision and direction, reorganizing relationships between individuals and groups, support and assistance, and monitoring and evaluation.

Thus, other than assessing whether budgetary or personnel decisions were made at the school site, or the types of decisions in which teachers were or were not involved, policy and research rarely have gone the next step of monitoring changes in organizations or student learning. As a result, SBM often has not been held accountable for improving student learning. There also is scant research on the intervening variables that have been shown to be related to student learning -- How does SBM change the enacted curriculum (Bryk, Lee & Smith, 1990)? How does SBM help build a collegial or professional teacher culture at the school (Little, 1982; Lieberman, 1988)? How does SBM create a powerful educational change process (see for example, Fullan, 1991; Miles & Louis, 1990; Marsh & Odden, 1991)?

Finally, even when addressing accountability directly, the design mechanisms tend to be weak. David (1989) suggests that some SBM policies require school report cards as the key accountability device, a mechanism also suggested by Guthrie (1986). While public reports indicating how schools are doing are an important component of an accountability system, they have no "teeth." Public reports are simply a way of disseminating data; they do not provide rewards for improvement nor do they deliver consequences for continued low performance.

SBM often gets mixed signals from the district or the state. Wohlstetter and Buffett (1992) found that district initiated SBM programs often ran afoul of state rules and regulations and that state initiated SBM reforms, even when implemented by some schools, often ran afoul of district rules and regulations. State initiated SBM also can run into problems when districts and superintendents do not support SBM and/or do not have complementary policies. As a result, site teachers and administrators get mixed signals or contradictory support from different levels of the policy system. Both are a hindrance to real school-based decision making.

Mixed policy signals also concern matters related to the curriculum, teachers and teaching. Few states or districts give focused and consistent views of either the intended or enacted curriculum. While states enact policies to transform teaching into a profession on the one hand, they simultaneously enact alternative routes into teaching that often require no professional preparation. And while inquiry oriented teaching is sanctioned, too many state testing programs emphasize basic skill mastery and ignore assessing the types of performance produced through thinking oriented, pedagogic strategies (Smith & O'Day, 1990). Thus, many SBM programs have suffered from inconsistent signals from their local and state policy makers on subjects that ranged from budgeting, curriculum and teaching to student learning.

In sum, our analysis of recent literature reviews highlights several problems associated with SBM policy and research. Most research on school-based management has found that little substantive decision making authority actually has been delegated in SBM programs. Where there is substance, the outcome concern is teacher morale and satisfaction; the impact on student learning is usually ignored (Berman & Gjelten, 1984; Chapman & Boyd, 1986 are exceptions). The result is that connections between student learning -- the real objective of education policy -- and SBM are not probed and thus not discovered. The policy and research agendas proposed in the next sections attempt to remedy these knowledge deficiencies with the ultimate goal of improving educational practice.

DO WE KNOW HOW TO MAKE SBM WORK?

Despite the plentiful number of studies and reviews of SBM that tend to show why SBM does not work, or works only at the margin, the recent literature has focused more consciously on identifying components that help make SBM an effective strategy. David (1989) argued that three key factors are necessary to make SBM work:

1. School autonomy for making decisions on budget, personnel and curriculum.

2. Regulatory relief to make new decision making real.

3. Shared, collegial decision making among site teachers and administrators.

Drawing upon successful school-based education improvement research (David & Peterson, 1984; Berman & Gjelten, 1984; Chapman & Boyd, 1986), David also argued that in order to have SBM produce a school improvement process that really works (i.e., improves curriculum, instruction and student achievement), it must be accompanied by four key factors, all of which are predicated on district support:

1. New knowledge and skills. Both teachers and administrators need a wide array of knowledge and skills to engage successfully in SBM. Such knowledge and skills include content knowledge and skills in new instructional strategies; planning and organizing a meeting and following an agenda; engaging in group processes; budgeting; developing and monitoring a fiscal plan; and reviewing and analyzing data on school performance. This, of course, suggests the need for a robust staff development program.

2. Principal leadership. The amount of authority and the style with which it is shared depends on the principal. In districts successful at decentralizing management, the central office trains, hires and evaluates site leaders on the basis of these key leadership skills.

3. Time for teachers and administrators to acquire and use new knowledge and skills.

4. Salary levels commensurate with the new levels of responsibility and authority.

These findings are reinforced by a recent RAND report on decentralized management in several large city districts (Hill & Bonan, 1991). That report concluded that for SBM to work:

- Superintendents and school boards should treat SBM as a reform strategy by transforming the central office into a help giver organization, and by promoting and expecting school variety (rather than uniformity).

- Teachers unions should treat SBM as the core strategy for professionalization by providing training in the knowledge and skills needed to make implementation effective, and by trouble shooting on a collaborative basis with the principal.

- Teachers and principals should focus on student needs by moving beyond traditional labor-management barriers and acting collegially; by emphasizing informal procedures rather than formal processes that can result in vetos; and by taking the initiative in assessing school performance.

According to Hill and Bonan (1991), accountability under SBM should 1) be based on results, i.e., student outcomes and 2) hold schools accountable for implementing their own plans and meeting their own goals. The authors further note that the strongest basis for accountability is the reputation of the school and that the ultimate accountability mechanism is school choice, where parents and students decide which schools to attend based on the reputation of the school. Finally, Hill and Bonan suggest that the central office role in accountability under SBM is to provide a comprehensive array of school-based information and to manage the school choice process.

While these findings converge, they nevertheless are based on a limited review of the literature (David, 1989) or a study of a few districts taking modest steps towards SBM (Hill & Bonan, 1991). The private sector, however, has been experimenting with a wide range of decentralized management approaches for over two decades and the accompanying research has identified several key factors that produce effective organizations. These findings have been synthesized recently by Lawler (1986) in a book entitled High-Involvement Management. High-involvement management is a form of decentralized management that is appropriate for service organizations that engage in knowledge production, exist in a changing (usually rapidly changing) environment, are staffed by individuals whose job tasks are complex and require constant decision making, and are characterized by interdependence among tasks within the organization (Lawler, 1986). All of these characteristics apply to schools.

From his synthesis of twenty years of research, Lawler (1986) concluded that decentralized management works when four components are decentralized to the service delivery/production unit:

- Power, i.e., authority over budget and personnel

- Knowledge, i.e., the skills and knowledge needed to engage in high-involvement management and new forms of service provision

- Information, i.e., data about the performance of the organization and about the fiscal performance of the unit and the organization including sales, costs, market share, profitability, etc.

- Rewards, i.e., a knowledge and skills-based compensation structure, organization-wide bonuses for accomplishing goals, and gainsharing programs for either accomplishing goals or reducing costs.

Indeed, Lawler argues that organizational effectiveness is a multiplicative function of power, knowledge, information and rewards. This suggests that if any one component is missing, organizational effectiveness is dramatically reduced.

Taken together, these conclusions help bring focus both to the findings from the two studies on how school SBM works (David, 1989; Hill & Bonan, 1991) and to the problems with SBM identified in the previous section. SBM policy first needs to decentralize power to schools. Power is defined as control over budget and personnel. Decentralized schools need to be given a lump sum budget and expenditure authority to spend the budget, subject only to district review of the total budget. Further, schools need to have the authority to hire, train, supervise, promote and fire their own staff, with few constraints from the central district office. Many SBM studies and reviews already have made this point (Malen et al., 1990; David, 1989; Hill & Donan, 1991; Wohlstetter & Buffett, 1992).

Second, schools must have the knowledge and skills needed to accomplish their tasks. Technical skills primarily include teacher knowledge of curriculum content and proficiency in the instructional skills needed to teach the curriculum. Knowledge and skills also include the process, leadership, financial and management skills needed to engage in collegial planning, budget development and monitoring, and cost-benefit/cost-effectiveness analysis. This point was made strongly by David (1989:51) -- "real authority comes from knowledge" -- and Hill and Bonan (1991) who identified the need for training.

Third, schools need to have information about their organization, its classrooms and academic departments, and about how the organization fits into the overall district system. Such information includes a wide array of student outcome data such as content area achievement, graduation rates, participation rates, course taking patterns, etc. Education information also includes detailed school-based revenue and expenditure data by program and student, which rarely is available in any district including SBM districts. This point is indirectly raised by the push in education for new forms of individual and school-based student assessments. Only Guthrie (1986), Hill and Bonan (1991) and Wohlstetter and Buffett (1992) explicitly identify school-based outcomes as key to SBM, and only Guthrie identified the need for fiscal information as well.

Fourth, schools need to be able to provide rewards for accomplishing goals. As proposed by Lawler (1986), this factor encompasses the overall compensation structure of the organization. In education, this necessitates major changes in teacher and administrator compensation systems (such as knowledge and skills based pay, and school-based bonuses for accomplishing performance targets) that have not been part of any proposed SBM program to date. David (1989) raised the compensation issue but she merely argued for a salary level commensurate with new roles and responsibilities entailed in SBM. More recently, Odden and Conley (1991) described how a new teacher compensation structure with the above elements could be designed, but the closest schools have come to such changes have been modest school-based performance awards that a few states and districts have adopted (Richards & Schuja, 1990).

In our view, these four components are the key variables that need to be decentralized to schools if SBM is to work in local school districts. Schools as organizations then need to be redesigned with the people within them (Mohrman & Cummings, 1989). Based on what is already known about private sector organizations, redesigning schools would entail getting all individuals at the school site to understand a new vision for the school; creating new leadership roles for both teachers and administrators; redefining and expanding staff development strategies; developing criteria for assessing outcomes including process outcomes; changing recruitment, induction and retention systems; and restructuring compensation packages to support high-involvement

management and vision attainment. This explicit organizational framework has not been a central component of SBM in spite of the fact that the knowledge base was derived from research on high-involvement management organizations that have characteristics similar to schools.

NEW DIRECTIONS FOR FUTURE POLICY AND RESEARCH

The shortcomings in current SBM policy and our knowledge of how to make decentralized management improve organizational productivity suggest a variety of new directions for the future. This section offers some suggestions for improving SBM policy and outlines some research strategies for the future that would provide new knowledge about educational practice generally and SBM in particular.

In terms of future policy and research, we have concluded that school-based management should be developed by:

- Joining SBM with curriculum and instructional reform as part of a coordinated effort to improve school productivity.
- Decentralizing to school sites real power, an aggressive staff development process, a comprehensive school data base, and new compensation systems.
- Investigating how SBM can create a new organizational culture.
- Developing district and school leadership that supports SBM.

SBM should be part of a coordinated effort to improve school productivity. School districts should be encouraged to implement systemic reform (Smith & O'Day, 1990) by setting student outcome goals for SBM and by joining SBM policy with a content focus or, what we refer to as, an "instructional guidance mechanism." The six national education goals, as adopted either by states or local districts, are adequate beginning outcome goals within which to set new SBM policies, especially since initiatives at all levels of government will be undertaken to provide school-based information on progress towards accomplishing those goals.

Instructional guidance mechanisms come in different forms and from various sources. A coherent set of instructional guidance mechanisms would include new curriculum standards, new forms of student testing that assessed thinking and problem solving skills, new instructional materials, and changes in teacher preparation. California, Connecticut and Kentucky are sending such integrated policy signals through their revised curriculum frameworks, instructional materials and student assessment programs. Alternatively, local school districts could develop versions of systemic reform even without similar or complementary instructional guidance signals from the state. Denver and Seattle are representative of this type of instructional guidance approach. A third possibility includes an overall vision of a good school and is more holistic in nature. Examples include Robert Slavin's Success for All Schools, James Comer's Development Learning Schools, Henry Levin's Accelerated Schools and Theodore Sizer's Coalition of Essential Schools. A fourth type of instructional guidance mechanism is generated internally by individual schools that begin on their own to address curriculum and instructional reform in the absence of clear external signals. Boston and Chicago would be examples of this type of mechanism. How ever systemic reform is developed, clear student outcome goals and an instructional guidance mechanism would help keep the SBM effort focused on the "business" of schooling -- teaching and learning.

While holding SBM accountable for student learning is difficult, research on SBM would benefit from some robust reporting and accountability mechanisms. School report cards, as Guthrie (1986) has suggested, is one strategy. Another strategy is to take the

"one step removed approach" and assess the degree to which SBM has helped implement new curriculum standards, new forms of instruction, staff development programs to train teachers in the requisite new knowledge and skills, and a new collegial, professional culture. As noted earlier, research already has established that the enacted curriculum is a major determinant of student learning (Bryk, Lee & Smith, 1990) and that a collegial, professional culture is needed to support new forms of student learning (Johnson, 1990; Lawler, 1990). SBM goals could include, for example, aspects of a professional organization. Techniques are becoming available to monitor school success in implementing such objectives (Mohrman & Cummings, 1989; Porter, 1991). But neither SBM policy nor research has done so to date. The aspects of SBM that might lead to improved student learning need to be probed in order to test whether SBM lives up to its rationale of improved student learning.

SBM sites should have real power, an aggressive staff development process, a comprehensive school data base, and new compensation systems. Hentschke proposed five kinds of changes in authority relationships between the central office and schools to make school-based management authentic. His framework, outlined below, could be used by policy makers as a checklist for formulating SBM policy.

1. Give sites the authority to select the people they want to hire, even individuals not on district lists, and to determine the mix of personnel at the site. While one school might elect to have slightly larger classes and more counselors, another school might attempt to minimize class size, and a third might choose to have a high number of classroom aides at the same time counseling and administrative staff are reduced.

2. Give sites authority over utilities and substitute teacher funds, so that if schools are successful in reducing expenditures in those areas, they benefit from the savings generated and receive the money they save.

3. Give sites the authority to determine the best source of supply for instructional materials and services. So, rather than requiring schools to order supplies through a central purchasing office, sites would be able to choose whether they wanted to purchase from the district provider or contract directly with a private firm.

4. Give sites the authority to purchase support services (e.g., staff development, curriculum development) when schools need them from sources the schools identify as offering the best products. Thus, central district staff development and curriculum offices would have to compete with other sources of support. In effect, central support functions would no longer be cost centers within the district, but would be enterprise funds, expected to finance their own operations.

5. Allow sites the authority to carry over resources from one year to the next. With this authority, schools could save some part of their allocation and in the following year would be able to purchase a large item that cost more than one year's allocation.

As researchers pursue these new directions in SBM policy, attention should be given to comparing outcomes across the different forms of SBM. As noted earlier, few studies to date have differentiated among community control, administrative decentralization and principal-centered decision making. In the private sector, the issue of who governs a decentralized unit does not emerge because power is not decentralized to the unit manager or the service providers; instead it is shared between these groups -- unit managers and service providers. If this research from the private sector applies to education, the preferred model likely would be teacher and principal shared power at the school.

SBM policy also should include an aggressive educational change and staff development process. Teachers and administrators need to learn a wide array of complicated new knowledge and new skills in order to change the curriculum and instruction program, the school organization and the professional norms among teachers. Many of these aspects of restructuring schools have been ignored in most research to date (Newman, 1990). Yet, such changes entail new roles and skills for teachers and administrators at both the site and the central office, and the research concludes that substantial new knowledge is needed in order for the curriculum and instruction reforms to be implemented completely (Cohen, 1991).

Future policy should include comprehensive school-based staff development programs. Research on this component should use current knowledge of staff development (Joyce & Showers, 1987; Joyce, Showers & Rolheiser-Bennet, 1987; Showers, Joyce & Bennet, 1987; and Sparks, 1983). Future research also could draw upon the emerging knowledge base about how to change curriculum, instruction and schools (see for example, Fullan, 1991; Miles & Louis, 1990; Marsh & Odden, 1991).

Third, future SBM policy should provide SBM schools with a comprehensive array of information. Conceptually this component entails developing a school demographic and outcomes data base, and also decentralizing current fiscal revenue and expenditure systems to the school site. California through its CBEDS program has developed one of the most sophisticated school-based student and teacher data systems that includes, for example, information about student ethnic and socio-economic background, teacher training, class size, and student achievement. Florida has a comprehensive revenue and expenditure system for each school, with fiscal data available on a computer terminal in every principal's office. Both types of school-level information systems -- fiscal and nonfiscal -- need to be developed in order to provide SBM schools with the array of information they need for planning, implementing and monitoring a robust school restructuring strategy.

Finally, future SBM policy should begin to change compensation structures within schools. This component of SBM is in the early developmental stages in only a few districts and states. While there is debate within education over whether educators are more motivated by financial rewards or by the intrinsic rewards of seeing students learn, research on knowledge production organizations in the private sector suggests that both are important (Lawler, 1990). In addition, Lawler (1986) has shown how new forms of compensation (knowledge and skills-based pay) are crucial to the effective implementation of decentralized forms of management. Local school districts could initiate school-based bonus awards, or SBM schools could begin to reward educators for the new knowledge and skills they acquire. Odden and Conley (1991) provide a range of options for changing compensation structures that would help redesign reward systems in SBM schools.

Investigate how SBM can create a new organizational culture. This research focus in part should probe how SBM stimulates schools and their districts to redesign local education systems and the school organizations within them. Based on effective decentralization in the private sector (Mohrman & Cummings, 1989), the redesign process should be evaluated by the degree to which:

- Consensus on a new vision for the district and school emerges;
- Leadership roles for teachers and administrators change;
- New forms of process and student outcomes are developed;
- Staff development activities include expertise for developing organizations as well as expertise for implementing new forms of curriculum and instruction;

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- Compensation/incentives structures change to reinforce all these new directions (Odden & Conley, 1991).

A second dimension of this research focus should look specifically at how SBM can help build a collegial, professional culture. Teachers typically tend to work in isolation (Lortie, 1975; Fullan & Hargreaves, 1991; Johnson, 1990), and collaborative work among teachers is rare and difficult to sustain (Little, 1987). There is evidence, however, that when teachers collaborate closely, student learning increases (Little, 1982).

SBM policy provides a possible opportunity for teachers to redefine professional norms, to reduce their isolation, to better coordinate their teaching efforts and to improve student learning. When the school site is the focus of decision making and teachers are given key roles in decisions that matter -- both strategic and operational -- the likelihood is greater they will become engaged in collaborative governance. Thus, future research should examine the extent to which SBM helps create an organizational culture that supports high quality teaching and student learning to help identify the organizational dimensions of schools that contribute to greater productivity.

Develop district and school leadership that supports SBM. Finally, SBM policies are effective only if they are supported strongly by site administrators, the teacher union, district administrators, the superintendent and the board of education. All of these groups must "give-up" power and authority to individual schools. If power is not given, SBM is downsized and unlikely to produce its potential impacts. Future SBM policies should begin with developing board policies that devolve explicit powers to the site and strategies that prepare district administrators to function in a new role of supporting school decision making. Future research should document and monitor the effectiveness of such strategies. However, research to date on decentralization (David, 1989; Hill & Bonan, 1991) is very clear on the need for support from the top leadership in order for decentralized approaches to become operative and fulfill their potential for making organizations function more effectively.

CONCLUSION

The purpose of this essay was to rethink the policies and research associated with school-based management. Our analysis suggests new directions for both policy and research that are based on the premise that school-based management as a governance strategy ought to be implemented along with curriculum and instruction reforms if the goal is to increase school productivity. Our review of the research on school-based management confirms what other literature reviews have suggested, namely that past studies have tended to be descriptive and general in focus. We propose a new, more complex perspective for future SBM policy and research: viewing school-based management in a more comprehensive framework that includes decentralizing power, knowledge, information and rewards; and combining the governance mechanism of school-based management with additional mechanisms focused on new approaches to curriculum and instruction to produce changes in school organizations and student learning.

This comprehensive blueprint for reform, which offers admittedly broad prescriptions for reconstructing schools as we know them today, may be implemented most readily in start-up schools, such as those suggested by President Bush's New American Schools. Retooling existing schools from top to bottom may be more problematic, because of the political and organizational implications these nostrums imply. We know, for example, that SBM usually is advocated as a moderate strategy of reform, notwithstanding the few more radical examples such as Chicago (Wohlstetter & McCurdy, 1991). Thus, in existing schools, sequential adoption of the prescriptions may be the most feasible method of implementation. In sum, we advocate a comprehensive blueprint for education reform to provide a coherent vision and long-term direction at the state and district levels. However,

we view implementation as centered at the school site, with a variable timetable depending upon whether a new school is being created or an existing school is being retooled.

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